(e) and (f) The Board of Directors of AIFIs are responsible for monitoring the activities of the institutions. Government monitors the position of overall sanctions and disbursements made by AIFIs. Government also appoints its nominee directors on the Board of AIFIs. Besides, the matters of general policy nature and of common interest to AIFIs are discussed with Chief Executives of AIFIs in meetings held from time to time.

Multi-crore Animal Husbandry Departments Scandal

1198. SHRI RAMDAS AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether Government have issued any instructions to the Income-Tax Department to speed up investigation in the multi-crore Animal Husbandry Department scandal as reported in the Financial Express, New Delhi edition dated 18th February, 1996;

(b) whether the Scam involving over Rs. 2,000 crore was the biggest ever of its kind in the State of Bihar;

(c) whether any raid was conducted by the Income-Tax Department officials at the Ranchi Airport in February, 1993 which subsequently led to tracing of property worth over Rs. 50 crore involving 6 officials of the Animal Husbandry Department; and

(d) if so, the details/action taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) No, Sir. No such instruction has been issued to the Income Tax Department. However, all the Investigating Agencies of the Government including the Income Tax Department are expected to carry out their jobs diligently and take prompt and appropriate action on the basis of information received by them.

(b) No such estimate is available.

(c) and (d) Yes, Sir. A search was conducted by the Income Tax Department at Ranchi Airport on 1.2.93 during which assets worth Rs. 1,15,54,631 were seized from the baggage of the following suppliers/officials of Animal Husbandry Department of Bihar

(i) Shri Vijal Mallick (Supplier to AHD) Cash Rs. 1,00,50,000/-

(ii) Shri Sanjai Sinha (Supplier to AHD) Cash & Demand Drafts Rs. 3,20,000/-

(iii) Mrs. Manorama Prasad, w/o Dr. K.M. Prasad, an official of AHD Cash & Jewellery Rs, 11,11,031/-

(iv) Ms. R. Kumari, d/o Dr. K.M. Prasad Cash Rs. 20,000/-

(v) Shri Abhished Kumar, s/o Dr. R.K. Singh, an official of AHD Cash and Demand Drafts Rs. 13,600/-

(vi) Mrs. Nirmala, w/o Dr. R.K. Singh Cash Rs. 40,000/-

Subsequent enquiries and further searches were carried out in the case of Dr. K.M. Prasad, an official of the Animal Husbandary Department on 17.2.93, 17.9.93 and 12.11.93 during which some documents and cash of Rs. 38,350 were seized from his luggage on 17.2.93 and cash of Rs. 30,443 was seized on 17.9.93. Dr. R.K. Singh another official of the AHD was also searched at the Ranchi Airport and a Sum of Rs. 99,990 was seized from his account in Allahabad Bank, Tagore Park, Delhi. During the course of search, Shri Kamlesh Kumar, son of Dr. K.M. Prasad has made a disclosure of Rs. 60 lakhs u/s 132(4) of the Income Tax Act on the basis of the seized documents. Appropriate action under the Income Tax Act, 1961 have been taken. The results of the enquiry and searches in the case of Dr. K.M. Prasad and Dr. R.K. Singh have also been communicated to the Vigilance Department of the Government of Bihar.